

Chapter 57. Capital Improvement Budget; Committee*

***Editor's note:** This chapter is derived from the following ordinances:

TABLE INSET:

Ord. No.	Sec.	Date
13679	--	8-22-67
13769	--	11-17-67
14028	--	11- 6-68
14405	--	2-18-70
16441	--	6-13-78
16455	--	8-15-78
17165	--	10- 4-84

Sec. 57.01. Annual capital improvement budget.

There shall be an annual capital improvement budget for the city, which shall be separate and distinct from the city's other budgets pursuant to Chapter 10 of the Charter. The annual capital improvement budget shall be part of a multi-year plan or program with the purpose of financing acquisition, construction, betterment, physical development, redevelopment and other improvement of land and facilities owned by the city, the Saint Paul Housing and Redevelopment Authority, and the Saint Paul Public Library Agency.

(C.F. No. 04-1220, 1-26-05)

Sec. 57.02. Preparation and adoption of budget.

The mayor shall submit a proposed annual capital improvement budget and five-year program to the city council on or before August 15 of each year. The city council shall conduct public hearings on the proposed annual capital improvement budget and program and adopt the budget by resolution, in accordance with the provisions of Section 10.06 of the City Charter. The city council may by resolution amend the capital improvement budget.

Sec. 57.03. Items included in budget.

The annual capital improvement budget shall include appropriations for all projects to be funded during the budget year which have an estimated useful life in excess of three (3) years, other than the acquisition of office or mechanical equipment, vehicles or mobile equipment, and minor remodeling or repairs of existing structures. The annual capital improvement budget shall include all such projects which are to be funded with the proceeds of general obligation or revenue bonds of the city authorized by law, all aids, grants and special revenues received by the city for funding capital improvements, all moneys appropriated by the city council in the general fund and special fund budgets for capital projects, and all special capital financing methods such as tax increment financing, long-term lease agreements and sale-leaseback financing. A five-year program which

identifies the future costs associated with multiyear capital projects and any additional capital projects that are scheduled for implementation during the time of the program shall accompany each annual capital improvement budget.

Sec. 57.04. Life expectancy of bond-financed projects.

Capital improvement projects financed in whole or in part with bonds sold by the city shall have a life expectancy that equals or exceeds the term of the bond(s).

Sec. 57.05. Long-range capital improvement budget committee.

There is hereby established an advisory capital improvements committee consisting of eighteen (18) members, none of whom shall hold any paid office or position under the City of Saint Paul. This committee shall be designated the "Long-Range Capital Improvement Budget Committee of Saint Paul" and, for convenience of reference, may be referred to as the CIB committee. The members of the CIB committee shall be appointed by the mayor with the consent of the city council for terms of three (3) years and until their successors are appointed. Appointments to fill unexpired terms shall be for the length of the unexpired term. Appointments to expired terms shall be made in the month of November and vacancies shall be filled when they occur. At least four (4) members shall be appointed from each Minnesota state senate district located entirely within the city and at least two (2) members shall be appointed from each senate district located partly within the city. Prior to making an appointment to a vacancy on the CIB committee, the mayor shall consult the legislators of the senate district in which the vacancy occurs. In addition, each affected city council recognized citizen participation district shall be given the opportunity to submit three (3) names for consideration by the mayor. The mayor shall, whenever possible, make appointments consistent with the recommendations of the citizen participation districts. Each member shall be paid twenty-five dollars (\$25.00) for attendance at committee meetings and subcommittee or task force meetings but in no event shall any member receive more than one thousand dollars (\$1,000.00) in any calendar year.

Sec. 57.06. CIB committee function and duties.

The function and duties of the CIB committee shall be to advise the mayor and city council on matters related to the adoption of the city's annual capital improvement budget, the preparation of the city's five-year capital improvement program, and the amendment of adopted capital improvement budgets. All recommendations received from the CIB committee, including proposed annual capital improvement budgets, shall be considered advisory only and shall not be binding on the mayor or city council, and the mayor or city council may alter, amend or revise the same in such manner as the mayor or city council considers appropriate. The function and duties of the CIB committee shall specifically include:

- (1) To receive from the mayor's office, budget section, descriptions of projects which department or office directors and other agencies desire to have included in the city's annual capital improvement budget and to analyze the same; to study and consider the long-range capital needs of the city, methods of financing such needs, the city's capacity to support the financing, and the recommendations of the planning commission; to assign priority ratings to the capital improvement projects considered and reviewed by the committee; and to make recommendations to the mayor and city council which shall include a proposed or suggested annual capital improvement budget and five-year program;
- (2) To hold hearings, including public hearings, with respect to capital budget requests at such times and in such manner as the CIB committee shall determine, and upon such notice as the CIB committee may prescribe;
- (3) To submit a proposed annual capital improvement budget and five-year program to the mayor for consideration by the mayor and council not later than June 30 of each year;

- (4) To review all expenditures on projects authorized hereunder at least annually to ensure that projects are being carried out in conformance with the intent of the council and to recommend closeout of projects when deemed appropriate;
- (5) To review proposed amendments to annual capital improvement budgets, including transfer of appropriations, requests for additional appropriations, and appropriations to new projects as provided for in section 57.09 hereunder, and to provide recommendations to the mayor and city council; and
- (6) To elect its own officers and make its own rules for the conduct of its business, including the use of task forces; provided, that such rules and amendments thereto are not effective until filed with the city clerk.

Sec. 57.07. Submission of capital budget requests and recommendations.

All capital improvement budget requests which city departments or office directors and other governmental and citizen agencies, including, by way of illustration and not of limitation, the port authority, school district, parent teachers association, and district councils, herein referred to as "other agencies," desire to have considered for inclusion in the annual capital improvement budget shall be submitted to the office of financial services by the last Friday in March of each project review year. Such requests shall include all capital improvement projects proposed for the following one (1) or two (2) years, as determined by the mayor, and identify programs for the next ensuing four-year period. All requests for capital improvement projects and reports with respect thereto shall be on forms prepared and provided by the director of financial services. Upon receipt of capital improvement budget requests from city departments or offices and other agencies, office of financial services shall transmit copies of the requests to the CIB committee for its consideration as provided in section 57.06, and to the planning commission staff for its consideration to determine the projects' compliance with the city's comprehensive plan and other appropriate city policies as determined by city council. The planning staff shall provide a copy of their recommendations to the planning commission, the CIB committee, and the office of financial services.

(C.F. No. 97-53, § 6, 2-12-97; C.F. No. 04-1220, 1-26-05)

Sec. 57.08. Reporting dates.

The city council may, by resolution, change any reporting dates contained herein and may, by resolution, prescribe additional procedures and reports to be provided by city departments and offices, other requesting agencies, and the CIB committee as the council in its discretion determines.

Sec. 57.09. Amendment of annual capital improvement budgets after adoption.

Annual capital improvement budgets may be amended in accordance with section 10.07 of the City Charter and as provided for herein:

- (1) *Additional projects and expanded projects.* When money is available to finance an additional project or increase the scope of an approved project, the annual capital improvement budget(s) may be amended by city council upon the recommendation of the mayor provided the funding request was brought before the CIB committee for review and recommendation and provided any new project has been found to be in compliance with the city's comprehensive plan.
- (2) *Cost of project less than appropriation.* If a project is completed at a cost less than budget appropriation, the director of the office of financial services shall prepare an administrative order budget amendment which would transfer the excess budget appropriation(s) to a fund

specific unallocated contingency. Examples of such fund specific unallocated contingencies are: the 2001 CIB Bonds Unallocated Contingency, the 2002 Municipal State Aid Unallocated Contingency, the Community Development Block Grant Year 15 Unallocated Contingency, the 2003 Cultural STAR Program Undesignated Projects and the 2004 Neighborhood STAR Program Undesignated Projects.

(3) *Cost of project greater than appropriation.* If the cost of any capital improvement project approved by the city council, including architect and engineering fees and, if appropriate, a contingency of ten (10) percent, exceeds the amount appropriated to it in an annual capital improvement budget or budgets, additional moneys necessary to fully finance the project may be appropriated as follows:

a. If the total transfers with respect to a particular project are less than twenty-five thousand dollars (\$25,000.00) and funds are available in an unallocated contingency to fund the excess cost, such amount may be transferred by administrative order budget amendment. Copies of all administrative order budget amendments shall be provided to the CIB committee on a regular basis by the office of financial services.

b. If the total transfers with respect to a particular project are greater than twenty-five thousand dollars (\$25,000.00) and exceed the amount appropriated by city council for the project, or if funds are not available in the department's restricted use account, an additional appropriation may be made by the city council via construction resolution, with the advice of the CIB committee and the recommendation of the mayor, from the department's restricted use account, capital budget unallocated reserve account(s), other uncommitted money available, or by reallocation of project funds.

(4) A project included in an annual capital improvement budget adopted by the city council shall stand as an approved project until completed or until abandoned pursuant to resolution of the council. Any amounts remaining in an annual capital improvement budget once all projects contained in that budget have been completed because of abandoned projects, overestimates of costs, or otherwise not required for projects approved in that annual capital improvement budget shall be credited to a capital budget unallocated reserve account which may be used to finance costs in excess of appropriation or other capital improvements, as recommended by the mayor with the advice of the CIB committee and authorized by the city council pursuant to the provisions of this chapter, or may be used in an adopted city budget to pay debt service for the CIB bond issues, as permitted by state statute.

(C.F. No. 97-53, § 7, 2-12-97; C.F. No. 04-1220, 1-26-05)

Sec. 57.10. Use of funds from succeeding years' budgets.

If a capital improvement project will require more than one (1) year to complete, or if the total amount of money required for any such project cannot be made available under one (1) annual capital improvement budget, the city council may, by resolution, indicate that money from succeeding years' capital improvement budgets shall be used for the completion of such project.

Sec. 57.11. Issuance of bonds.

The city council may at any time authorize the issuance of bonds, pursuant to law. The authorization of such bonds and the purposes enumerated in the ordinance or resolution authorizing the same shall constitute an amendment to the annual capital improvement budget appropriating the amount of the bond issue to such purposes.

Sec. 57.12. Status reports regarding approved capital projects.

Directors of city departments, offices, and agencies which have approved capital projects which are in the process of being designed, acquired, constructed, developed and or improved shall prepare semi-annual (project implementation status reports) for review by the CIB committee, mayor and city council. Said status report shall identify both the original estimated date and most current estimated date as to when each major phase of the project is scheduled to be completed. The status report shall also identify if there are any changes in the scope or financing of the project as originally approved including all financing amendments and an explanation of any delays due to coordination issues with other projects or because of budget constraints.

The financial services office shall prepare quarterly (status report on excess funding for approved capital projects) for periodic review by the CIB committee, the neighborhood STAR board, the cultural STAR board, the mayor and the city council. Said status report shall also include any known funding shortages for approved projects which have gone to bid, and for high priority out-of-budget-cycle projects which could be considered for immediate funding through a formal budget amendment.

The CIB committee shall annually make recommendations to the mayor and city council for the use of excess project appropriations. The committee shall submit its recommendations on how to use excess project appropriations by no later than June 30 of each year. Their recommendations may include topics such as: how much money to keep in unallocated reserves to protect the financing integrity of approved projects which have yet to go to bid, transfer of unallocated money to already approved projects which are short funding, cancellation of previously approved projects because of unforeseen delays or significant change in project scope, new funding for high priority capital projects formally reviewed by the CIB committee which were not previously approved by the city council because of resource constraints when the last capital budget was adopted, funding of new out-of-budget-cycle projects requested by the mayor and city council, the use of existing bond money to reduce the size of the CIB bond issue proposed for the next year's capital improvement budget, the use of existing capital revenues to pay debt service principal payments, and other mid-year recommendations deemed appropriate by the CIB committee.

(C.F. No. 04-1220, 1-26-05)

//St. Paul, Minnesota/CODE OF ORDINANCES City of SAINT PAUL, MINNESOTA Codified through Council File No. 09-1204, adopted Nov. 25, 2009. (Supplement No. 79)/Title IV POLICIES AND PROCEDURES/Chapter 57. Capital Improvement Budget; Committee*